BEFORE THE
ARIZONA CORPORATION COMMISSION

IN THE MATTER OF THE APPLICATION  ) DOCKET NO. E-01345A-13-0248
OF ARIZONA PUBLIC SERVICE )
COMPANY FOR APPROVAL OF NET )
METERING COST SHIFT SOLUTION. )

INITIAL BRIEF

The Arizona Solar Deployment Alliance ("ASDA"), in accordance with the April 28,
2015 Procedural Order, hereby responds to whether Arizona Public Service's ("APS") request in
the above captioned docket must be heard in a rate case.

BACKGROUND

APS, in July of 2013, opened the above docket by filing an application to address a net metering
cost shift concern. ASDA was granted intervention and participated fully throughout the
process. Staff filed a recommended order and extensive discussion occurred via briefs and at
open meeting regarding Staff's proposals. Ultimately, Decision No. 74202 was issued which
held that while the issues would likely need to be addressed in the next APS rate case, an interim
This interim step of adjusting APS’ Lost Fixed Cost Recovery (“LFCR”) mechanism by $.70 per kW came about as a compromise proposed by various solar organizations and the Residential Utility Consumers Office (“RUO”). There has been no appeal of this decision and APS has charged this since it was legally allowed.

**APS CURRENT MOTION**

On April 2, 2015, APS filed a Motion to Reset its LFCR from $.70 a kw to $3. a kw. The Motion sets out where Decision No. 74202 contemplates subsequent adjustment of the LFCR charge. The current Motion seems to comport with Decision No. 74202 as it how it would “reset” the LFCR adjustment.

Recently, the Commission has had several applications from electric utilities asking for a change to their net metering tariffs. In those dockets, ASDA has taken the position the applications should be dismissed and should be heard in a future rate case. The distinction between the other cases and APS is clear. In 2013, APS went to the Commission and adjusted its LFCR, not its net metering tariff. When that occurred, the Commission contemplated the LFCR adjustment being reset before the next rate case. The other utilities are asking for a change to their net metering tariff and a waiver of the net metering rules. It is for these reasons that ASDA believes APS’ Motion could be heard outside of a rate case.

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1. Decision No. 74202 14 and 23.
2. Id. at Comm Pierce’s Dissent
3. APS Motion to Reset pgs 5 and 6.
4. i.e. TRICO E-01461A-15-0057
CONCLUSION

Based on the Decision granted in this docket as well as the request APS has made, ASDA believes that the Motion to Reset could be acted upon outside of a rate case.

RESPECTFULLY SUBMITTED this 22th day of May, 2015

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